





Companies race to open new uranium enrichment facilities in U.S.

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BOISE, **Idaho**: Companies are racing to provide radioactive fuel for a nuclear power renaissance, especially in the United States, and are powering debate along the way.

Two U.S. companies, General Electric and United States Enrichment Corp., or USEC, along with their European rivals, Urenco and Areva, are pushing billions worth of new U.S. enrichment plants or technology so they do not miss the new uranium boom.

Opponents including the Union of Concerned Scientists fear that investment sends the wrong message to countries like Iran, which is under international pressure to halt its own uranium enrichment efforts. The scientists' group argues that it is unclear the United States really needs new facilities, when it could just import nuclear fuel from elsewhere.

Still, shipments from Russia, which now supplies about 40 percent of enriched uranium for U.S. commercial reactors, are due to be cut roughly in half by 2013. And an aging U.S. enrichment facility in Paducah, Kentucky, is scheduled to be closed. That means U.S. power plants will have to fill the vacuum from other sources, including from new domestic suppliers.

"Even if the nuclear renaissance didn't happen, the U.S. will need more enrichment services to respond to their existing domestic needs," said Laurence Pernot, a spokeswoman for Areva in Bethesda, Maryland.

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Promoters tout nuclear power as an antidote to coal-fired plants that contribute to global warming. The U.S. Nuclear Regulatory Commission accepted applications to build seven nuclear reactors in 2007, with 25 more licensing requests expected through 2009.

Officials from Areva, which is headquartered in France, have been studying the lava and sagebrush plains of eastern Idaho since last year, near the 850-square-mile, or 2,200 square kilometer, Idaho National Laboratory site, where U.S. scientists have done nuclear research since 1949. Now, the company is trying to coax the state legislature into providing tax breaks to make building in Idaho more attractive.

If it does not get them, Areva says, it could build a site elsewhere.

Meanwhile, General Electric is working on a laser process for enriching uranium at a test facility in North Carolina and has indicated its intent to apply for a full-scale project, according to the Nuclear Regulatory Commission.

Urenco, with enrichment operations in Germany, Britain and the Netherlands, is part of a consortium whose \$1.5 billion enrichment facility has spawned a boomtown in southeastern New Mexico. The plant is due to open next year.

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And USEC, which is based in Maryland, is building its American Centrifuge plant in the Ohio river town of Piketon and expects to enrich enough uranium there by 2012 to supply a quarter of existing U.S. demand.

"Multiple enrichment facilities provide customers with diversity of supply and competition," said Jeremy Derryberry, a USEC spokesman. "We believe the market can support all current planned

Concentrated uranium ore, or yellowcake, is mined and milled at 20 sites in the United States, according to the Nuclear Regulatory Commission, as well as in Australia, Canada and Kazakhstan. Once out of the ground, the ore is converted into uranium hexafluoride that is shipped in metal cylinders to an enrichment plant. Uranium pellets are then taken to a fabrication plant where they are put into fuel rods. Those fire reactors at nuclear power plants.

The 104 nuclear power plants in the United States get about 85 percent of their uranium from other countries, including from the Russian program "Megatons for Megawatts." In that 15-yearold program, warheads are converted in Russia to nuclear fuel and then shipped to the United States.

That program, however, is scheduled to end in 2013. A replacement agreement would bring in only about half the enriched uranium of the existing deal.

Furthermore, once USEC's new Ohio plant is completed, it plans to close its facility in Paducah, Kentucky, which is now the only operating enrichment plant in the United States.

"We do not have adequate enrichment capacity for the existing demand that there is," said Felix Killar, the senior director for fuel supply for the Nuclear Energy Institute, a lobbying group in Washington. "It's going to be a tight market for some period of time."

As enrichment fever grows, however, the Union of Concerned Scientists in Washington is watching with unease, because it believes this activity undermines U.S. credibility with Iran.

The United States and some of its allies oppose Iran's expansion of its enrichment facilities, saving it could lead to the development of nuclear weapons.

"The U.S. has said Iran doesn't need nuclear power because of its oil and natural gas reserves," said Edwin Lyman, a senior scientist. "Iran turns around and says, 'We want to mitigate greenhouse gas emissions, just like you do.' There's this kind of double-talk."

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